

RETAIL DISCOUNT FROM 1 APRIL 2019

The Government announced in the Autumn Budget Statement on 29 October 2018 that it will provide a relief of one third of the business rate bill to all occupied retail properties with a rateable value of less than £51,000 in each of the years 2019-20 and 2020-21. The intention is that all retailers (that meet the qualifying criteria) will receive the relief and not just those retailers that are in the high street or town centres.

Qualifying Properties

Properties that will benefit from the relief will be occupied hereditaments with a rateable value of £51,000 or less, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments. Government guidance considers shops, restaurants, cafes and drinking establishments to mean:

A) Properties that are being used for the sale of goods to visiting members of the public:

- Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licence, chemists, newsagents, hardware stores, supermarkets, etc.)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/ caravan show rooms
- Second hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

B) Properties that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops, etc.)
- Shoe repairs/ key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- DVD/ video rentals
- Tool hire
- Car hire

- Car workshops with a direct service provision to the public, such as repairs, MOTs etc
- Car wash premises

C) Properties that are being used for the sale of food and/ or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

The list above is not exhaustive and is intended as a guide. Particular properties not listed can still be considered for the relief provided they are broadly similar in nature to those above.

Properties which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief. The test is one of use rather than occupation

Ratepayers that occupy more than one property will be entitled to relief for each eligible property, subject to State Aid de minimus limits.

Properties which would not qualify for relief

A) Properties that are being used for the provision of the following services to visiting members of the public:

- Financial services (e.g. banks, building societies, cash points, bureaux de change, payday lenders, betting shops, pawn brokers, arcades*, bingo halls*)
- Other services (e.g. estate agents, letting agents, employment agencies)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
- Post office sorting office
- Kennels, stables
- Day Nurseries
- Gyms, Activity Centres
- Taxi offices
- Call Centres

B) Properties which are not reasonably accessible to visiting members of the public

This is not defined within the government guidance. However, for the purpose of this scheme, this would include properties which do not have a customer facing 'front of house'. The expectation is that, in the normal course of events, members of the public would ordinarily attend the property in person. Examples where relief would not be granted would include skip hire, scaffolding services etc where attendance in person does not normally occur.